

State of New Jersey

Chris Christie

Kim Guadagno
Lt. Governor

Office of the Attorney General
Department of Law and Public Safety
Division of Gaming Enforcement
1300 Atlantic Avenue
Atlantic City, NJ 08401

Jeffrey S. Chiesa

Attorney General

David Rebuck

April 17, 2013

Mr. Joseph Corbo, Jr. Vice President and General counsel Borgata Hotel Casino and Spa 1 Borgata Way Atlantic City, NJ 08401

RE: Petition #0931305

Dear Mr. Corbo:

The staff of the Division of Gaming Enforcement's (Division) Regulatory Enforcement Bureau has reviewed Petition #0931305 filed by Marina district Development Company, LLC d/b/a Borgata Hotel Casino and Spa (B.orgata) dated April 3, 2013 and amendment dated April 10, 2013. Borgata is seeking approval to amend its Certificate of Operation and Casino Hotel Alcoholic Beverage (CHAB) License to reconfigure certain slot areas and add alternate gaming table plans to several areas.

Borgata is currently operating under a Certificate of Operation which was approved in Petition #0961202 on April 16, 2013, by the Division of Gaming Enforcement.

By Petition #0931305, Borgata seeks approval to complete modifications to its casino floor as depicted on the architectural drawing labeled POP-25A and POP 25B dated March 20, 2013, which was prepared and certified by R2Architects, LLC, David Rudzenski, AIA License #08443.



The petitioner proposes the following:

1.	Slot Zone E	Remove twenty-eight (28) slot machines and slot stools. Add five (5) slot machines and slot stools. Renumber twenty one (21) slot locations.
2.	Slot Zone H	Remove fifty-two (52) slot machines and slot stools. Add two (2) slot machines and slot stools. Re-designate one (1) slot machine as slant top. Renumber sixteen (16) slot locations. Relocate one (1) TR machine.
3.	Slot Zone J	Remove fifty-seven (57) slot machines and slot stools. Add four (4) slot machines and slot stools. Renumber sixteen (16) slot locations.
4.	Slot Zone K	Remove thirty-eight (38) slot machines and slot stools. Add twelve (12) slot machines and slot stools. Renumber sixteen (16) slot locations. Renumber thirty-eight (38) slot locations.
		Relocate and renumber one (1) TR machine.
5.	Slot Zone N	Relocate TR-43 to slot Booth 4, next to TR-41.
6.	Pit #2	Remove two (2) tables and add two (2) tables.
7.	Pit #3	Remove two (2) tables and add two (2) tables.
8.	Pit #19	Remove two (2) tables and add two (2) tables.
9.	Pit #8	Remove two (2) tables and add two (2) tables.
10.	Pit #12	Add four (4) poker tables.

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- 11. Provide five (5) alternate layouts (plans) as follows:
 - Pit #21 (B-Bar) add two (2) table games.
 - Pit #22 (Mixx Nightclub) add three (3) table games.
 - Pit #23 (Dining Room) add two (2) table games.
 - Pit #24 (Water Club Indoor Pool) add two (2) table games.
 - Pit #25 (Salons C & D of The Event Center) add ninety (90) table games.
- 12. Borgata requests to utilize any of the alternative gaming spaces upon providing notice to the Division of Gaming Enforcement.
- 13. Borgata requests that the alternate gaming spaces be temporarily licensed as CHAB type I locations whenever the alternate gaming spaces are utilized for gaming purposes.

The summary of the statistical calculations is as follows:

- 1. A decrease of one hundred fifty-two (152) slot machines and one hundred fifty-two (152) slot stools. The total number of slot machines is 3,153 and the total number of slot stools is 3,153;
- 2. An increase of four (4) poker tables in the simulcast area for a new total of seventynine (79) poker tables. The total base number of approved table games is two hundred sixty-two (262).

When Borgata provides notice:

- A. Pit #21 will utilize the B-Bar. As a result of this implementation, the total number table games will temporarily increase to 264.
- B. **Pit #22** will utilize The Mixx Nightclub. As a result of this implementation, the total number of table games will **temporarily** increase to **265**.

- C. Pit #23 will utilize The Dining Room. As a result of this implementation, the number of table games will temporarily increase to 264.
- D. Pit #24 will utilize the Water Club indoor pool deck area. As a result of this implementation, the number of table games will temporarily increase to 264.
- E. Pit #25 will utilize Salons C & D of The Event Center. As a result of this implementation, the number of table games will temporarily increase to 352.
- F. If all alternate plans are implemented simultaneously, the number of table games will **temporarily** increase to **361**.
- 3. The casino floor area is unchanged at one hundred thirty-six thousand six hundred sixty-seven (136,667) square feet. The simulcast area is unchanged at twenty-three thousand six hundred twenty (23,620) square feet for a total gaming area of one hundred sixty thousand two hundred eighty-seven (160,287) square feet.
 - A. Pit #21 is already deemed gaming space so total gaming space will remain at 160,287 square feet.
 - B. Pit #22 will temporarily add 532 square feet for a total gaming area of 160,819 square feet.
 - C. Pit #23 will temporarily add 668 square feet for a total gaming area of 160,955 square feet.
 - D. Pit #24 will temporarily add 298 square feet for a total gaming area of 160,585 square feet.
 - E. Pit #25 will temporarily add 17,705 square feet for a total gaming area of 177,992 square feet.
 - F. If all alternate plans are implemented simultaneously, they will **temporarily** add **19,203** square feet for a total gaming area of **179,490** square feet.

Borgata currently has one thousand nine hundred seventy-one (1,971) qualified sleeping units, which qualifies Borgata to operate a casino of up to two hundred thousand (200,000) square feet.

4. The allowable slot coverage (90% of 160,287) is one hundred and forty-four thousand two hundred and fifty-eight (144,258) square feet.

- A. Pit #21 will not add gaming space so allowable slot coverage will remain at 144,258 square feet.
- B. When **Pit #22** is implemented, the allowable slot coverage is **144,737** square feet.
- C. When **Pit #23** is implemented, the allowable slot coverage is **144,860** square feet.
- D. When **Pit #24** is implemented, the allowable slot coverage is **144,527** square feet.
- E. When **Pit #25** is implemented, the allowable slot coverage is **160,193** square feet.
- F. If all alternate plans are implemented simultaneously, the allowable slot coverage is **161,541** square feet.
- 5. The actual base slot coverage is ninety-two thousand six hundred and eight-two (92,682) square feet which is 58% of the total gaming area and within the allowable 90% for slot density.
 - A. When **Pit #21** is implemented, there is no change to the slot density. Actual slot coverage will remain at **92,682** which is **58%** of the total gaming area and within the allowable 90% for slot density.
 - B. When **Pit #22** is implemented, the actual slot coverage is **92,682** square feet Which is **58%** of the total gaming area and within the allowable 90% for slot density.
 - C. When **Pit #23** is implemented, the actual slot coverage is **92,682** square feet Which is **58%** of the total gaming area and within the allowable 90% for slot density.
 - D. When **Pit #24** is implemented, the actual slot coverage is **92,682** square feet Which is **58**% of the total gaming area and within the allowable 90% for slot density.
 - E. When **Pit #25** is implemented, the actual slot coverage is **92,682** square feet which is **52%** of the total gaming area and within the allowable 90% for slot density.

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F. If all alternate plans are implemented simultaneously, the actual slot coverage is **92,682** square feet which is **52%** of the total gaming area and within the allowable 90% for slot density.

Based on the Division's authority, the requested amendments to Borgata's Certificate of Operation as set forth above, are hereby granted pursuant to <u>N.J.A.C.</u> 13:69C-7.1, et seq. This approval authorizes a casino room containing and consisting of **160,287** square feet of total gaming space, **262** table games, **3,153** slot machines and **3,153** slot stools. Additionally, this approval authorizes the following alternate layouts (plans):

- A. Pit #21 160,287 square feet of total gaming space, 264 table games, 3,153 slot machines and slot stools;
- B. Pit #22 160,819 square feet of total gaming space, 265 table games, 3,153 slot machines and slot stools;
- C. Pit #23 160,955 square feet of total gaming space, 264 table games, 3,153 slot machines and slot stools;
- D. Pit #24 160,585 square feet of total gaming space, 264 table games, 3,153 slot machines and slot stools; and,
- E. Pit #25 177,992 square feet of total gaming space, 352 table games, 3,153 slot machines and slot stools.
- F. If all alternate plans are implemented simultaneously, there is **179,490** square feet of total gaming space, **361** table games, **3,153** slot machines and slot stools.

Since the casino floor area has been altered, smoking areas may be changed. Please note that the designation of smoking areas in casinos is subject to the jurisdiction of the N.J. Department of Health and Senior Services and the Atlantic City Department of Health and Human Services, not the Division. Accordingly, this letter should in no way be construed as approving areas of the gaming floor for smoking.

This approval is subject to the following conditions:

- A. That revised operational blueprints (POP-25A, POP-25B), reflecting the changes approved herein be submitted to the Division's Regulatory Enforcement Bureau, casino licensee's security podium and the casino licensee's CCTV monitoring room;
- B. That a revised Table Game and Roulette Wheel inventory list be submitted to the in-house Division office;
- C. That a revised Slot Master List be submitted to the Technical Service Bureau of the Division;
- D. That an updated security and surveillance submission be approved by the Division reflecting new table game drop routes, chip fill/credit routes, card distribution routes and staffing levels prior to the alternate gaming spaces being implemented;
- E. That Borgata notify the Division immediately in the event of any modification to the approvals granted herein;
- F. That Borgata comply with CCTV requirements identified in N.J.A.C. 13:69D-1.10 regarding the requirements to record all gaming tables whether active or inactive;
- G. That Borgata comply with CCTV requirements identified in N.J.A.C 13:69D-1.10(I) regarding the requirement to have one operator for every 40,000 square feet of casino floor space unless otherwise authorized by the Division;
- H. That all CCTV cameras must be accessible from the Division's CCTV monitoring system as required by N.J.A.C. 13:69D-1.10(a)3;
- I. That all steps are taken to ensure maximum patron comfort and safety during the period of renovation;
- J. That the request for CHAB changes will be subject to review by the Division's Regulatory Prosecution Bureau, and will require an order from the Division of Gaming Enforcement should the request be approved;
- K. That Borgata comply with all requirements and conditions appended to approvals received from all involved agencies of government whose approvals are required in order for a Certificate of Occupancy for the general public to be issued including, but not limited to, the Department of Community Affairs and the local construction official;

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- L. Once modifications have been completed, satisfactory inspections and approvals by the Division are required to ensure that the changes made conform to the petition. The review also includes, but is not limited to, an assessment of the adequacy of CCTV and security coverage. Such inspections must be done prior to the proposed areas being used for gaming activity; and,
- M. In the future, if there are no changes from this approved petition, only notification to the Division along with certifications is required. Notification must be submitted at least three (3) business days prior to the implementation of an alternate plan(s).

To schedule an inspection, please contact the Division at inspections@nidge.org.

If you have any questions, please do not hesitate to contact Bill Kendzierski of my staff at 609-441-7557.

Sincerely,

Don Errers

Don Errera, Deputy Chief

Regulatory Enforcement Bureau

DAE/kh

C: Chuck Kimmel, DGE Lisa Spengler, DGE Tim Ficchi, DGE DGE Intake Unit C-56-13-022